NEWS RELEASE

Terex Completes the Divestiture of Its Truck-mounted Forklift Businesses

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WESTPORT, Conn.--(BUSINESS WIRE)--Oct. 4, 2000--

Net proceeds of $125 million to reduce long-term debt

Terex Corporation (NYSE: TEX) announced today that it has completed the divestiture of its truck-mounted forklift businesses to Partek Cargotec, a subsidiary of Partek Corporation of Finland, for $144 million in cash.

The units divested by Terex include the truck-mounted forklift unit of Powerscreen (Moffett) that was acquired in mid-1999 and the Princeton/Kooi units that were acquired from Allegheny Teledyne in late-1999.

"Partek's purchase price represents a substantial premium to the combined price that Terex paid for these assets less than one year ago," said Ronald M. DeFeo, Terex's Chairman and Chief Executive Officer. "The approximately $125 million of after-tax proceeds will be used to immediately repay long-term bank debt. We have already given irrevocable notification to our lead bank and will repay $125 million of bank debt on Friday, October 6. This divestiture materially improves our leverage ratio, provides us with increasing financial flexibility and delivers on another commitment we made earlier this year." Including this transaction, Terex will have reduced its long-term debt by $225 million, so far this year.

Terex Corporation is a diversified global manufacturer based in Westport, Connecticut, with expected 2000 revenues in excess of $2 billion. Terex is involved in a broad range of construction, infrastructure and mining-related capital equipment operating in two segments -- Terex Earthmoving and Terex Lifting. Terex Earthmoving manufactures and sells heavy-duty off-road trucks and high-capacity surface mining trucks under the brand names

of Terex, Unit Rig and Payhauler, as well as large hydraulic mining shovels under the brand name O&K. Terex entered the infrastructure building business in 1999 with the acquisitions of Powerscreen and Cedarapids. Terex Lifting manufactures and sells telescopic mobile cranes, lattice boom cranes, tower cranes, aerial work platforms, utility aerial devices, telescopic material handlers, truck mounted lift trucks, truck mounted cranes, and related products, under the brand names Terex, Lorain, PPM, P&H, Franna, Marklift, Koehring, Bendini, Simon, RO, Telelect, Square Shooter, Holland Lift, American, Italmacchine, Peiner, Comedil and Matbro.

Certain information in this announcement includes forward-looking statements regarding future events or the future performance of the Company that involve certain contingencies and uncertainties. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual events or performance to differ materially from those reflected in such forward-looking statements. Such risks and uncertainties, many of which are beyond the Company's control, include, among others: the effects of changes in laws and regulations; the effect of interest rates, government spending and general economic conditions on construction and mining activity; the national and international political climate; and other factors, risks and uncertainties set forth in more detail in the Company's public filings. Actual events or performance may differ materially from any forward-looking statement due to these and other risks, uncertainties and significant factors.

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